

# PROGRAM COMPLIANCE AUDIT

---

## PROTOTYPES



## PRELIMINARY AUDIT REPORT

Prepared by:

California Department of Corrections and Rehabilitation  
Office of Audits and Compliance

February 2008

---

---

# PROTOTYPES

CONTRACT NUMBER C05.004

---

**Office of Audits and Compliance**

Timothy Adams, Senior Management Auditor

Patrick Tubb, Staff Management Auditor

Rowena Dorsey, Associate Management Auditor

Elijah Gwarada, Staff Services Management Auditor

Sonny Evangelista, Staff Services Management Auditor

# TABLE OF CONTENTS

---

	<u>PAGE</u>
AUDITOR'S REPORT	
EXECUTIVE SUMMARY .....	1
OAC'S COMMENTS ON PROTOTYPES' RESPONSE.....	3
BACKGROUND .....	4
FINDINGS AND RECOMMENDATIONS .....	5
GLOSSARY .....	27
PROTOTYPES' REPONSE TO PRELIMINARY AUDIT REPORT.....	Attachment A

**OFFICE OF AUDITS AND COMPLIANCE**

1515 S Street, Sacramento, CA 95814  
P.O. Box 942883  
Sacramento, CA 94283-0001



## AUDITOR'S REPORT

Cassandra Loch, LCSW, MBA, President and Chief Executive Officer  
5601 W. Slauson Avenue, Suite 200  
Culver City, CA 90230-6582

Dear Ms Loch,

The California Department of Corrections and Rehabilitation's (CDCR) Office of Audits and Compliance (OAC) completed a program compliance audit of contract number C05.004 between PROTOTYPES and CDCR.

Under the terms of the agreement, the Contractor agreed to provide a Community Prisoner Mother Program (CPMP) that offers rehabilitative services and the opportunity for inmate mothers to bond with their children. The costs for these services were not to exceed the contracted amount of Three Million, Six Hundred Eighty-Four Thousand and Seven Hundred Forty Seven Dollars (\$3,684,747) for the contract term of July 1, 2005 through June 30, 2010.

OAC conducted the audit in accordance with generally accepted governmental auditing standards, including tests of controls and other such auditing procedures considered necessary under the circumstances.

The scope of the audit was limited to program compliance for the Fiscal Year 2006/2007. Audit fieldwork was conducted from December 3, 2007 through January 11, 2007.

The specific objectives of the audit were to determine if PROTOTYPES complied with:

- Program requirements and conditions of contract C05.004;
- Penal Code Sections 1174-1174.9 and 3410-3424.

The procedures performed in the audit included the review of:

- Personnel files, staffing coverage, inmate files, building safety, substance abuse & children's curriculums, and other program requirement as stated on Contract No. C05.004.

Page 2

- Policies and procedures to determine compliance with CPMP and Family Foundation Program (FFP) Directives.

OAC identified eight findings in the area of inmate trust fund, required program services, CPMP personnel requirements, and building maintenance. Because the audit was limited to selected test periods, OAC does not express an opinion on the contractor's internal controls or contract compliance as a whole.

RICHARD C. KRUPP, Ph.D.  
Assistant Secretary  
Office of Audits and Compliance

January 11, 2008 (last date of field work)

## EXECUTIVE SUMMARY

---

CDCR contracted with PROTOTYPES, Centers for Innovation in Health, Mental Health and Social Services, to manage the CPMP in Pomona, CA under Contract number C05.004. The CPMP's goal is to provide the opportunity for inmate mothers to bond with their children and strengthen the family unit. In addition to correctional services, the contract requires a structured program that addresses substance abuse issues, emotional stability, self esteem and employment skills. The contract is for 24 inmates and 36 children.

OAC performed a program compliance audit of PROTOTYPES for the contract period of July 2006 through June 2007 and found 8 findings and 2 observations. The findings and observations are summarized below and are discussed in more detail in the Findings/Observations and Recommendations section of this report.

### **FINDING 1: Inefficient and Inaccurate Inmate Trust Fund**

PROTOTYPE'S CPMP program has an inefficient and incorrect manual inmate trust fund accounting system. Recordation and calculations of deposits and withdrawals are all done by hand. Furthermore, there is no regular reconciliation of the trust book to the monthly bank statement and the inmates do not get monthly or quarterly trust account statements.

### **FINDING 2: Excessive TANF Electronic Benefit Transfer Swipe Fee**

Inmates are incurring unnecessary Electronic Benefit Transfer (EBT) charges of \$4.85 per card swipe. The unnecessary charges take away the direct Temporary Assistance for Needy Family (TANF) benefits intended for the children.

### **FINDING 3: Improper Student Financial Aid Process**

Two CDCR inmates attended the local community college and applied for financial aid. PROTOTYPES did not notify Mt. San Antonio College in writing that two CDCR inmates completed the Free Application for Federal Student Aid (FAFSA) as required by the CPMP/FFP Directives. Two ineligible inmates received the Federal Pell Grant totaling \$17,242.

### **FINDING 4: Non-Compliance of Personnel Policies, Procedures and Staffing Requirements**

Twenty-three employee files were reviewed to determine the contractor's compliance with the contract. OAC determined that PROTOTYPES did not comply with the contract in six aspects listed as problems areas or findings that

consist of (a) a weak, irregular and inadequate in-service training program, (b) an inconsistent and ineffective annual performance review system, (c) derelict adherence to background clearance prior employment by CDCR, (d) erratic enforcement of annual Tuberculosis (TB) testing, (e) negligent hiring of employees under the age of 21 years old, and (f) random or indiscriminate hiring of employees without required minimum qualifications.

**FINDING 5: Inadequate CPMP Staffing Coverage**

Contract C05.004 requires the Contractor to fill the positions of the Supervising Counselors (24 hours per day/7 days per week), Evening Counselors (16 hours per day/7 days per week), Child Development Coordinator (8 hours a day/7 days per week), and Cooks (8 hours a day/7 days per week) at all times. The test of the August 2006 Staff Sign-In Log showed that there is inadequate staff coverage and shortage.

**FINDING 6: No required CCIII or WCSU Approval of Reports**

The Individual Treatment Plans' (ITP) and 60 day exit plans on five inmate files tested by OAC showed no proof of Women and Children Services Unit's (WCSU) or Correctional Counselor's (CCIII) approval prior to implementation as required in the contract, and progress reports did not demonstrate that PROTOTYPES "regularly confer" with the CCIII.

**FINDING 7: Inadequate Control of Inmate Passes**

Community Itinerary Verification (CIV) forms require approval of both the Facility Manager and the Field Correctional Counselor. OAC determined that the CIV's are not always signed by the Facility Manager and CCIII as directed by the contract. There were 88 and 6 CIV's that were not signed by the CCIII and the Facility Manager, respectively.

**FINDING 8: Facility Requirement-Out of Compliance**

OAC observed contract discrepancies in 1) not maintaining a tool control log, 2) not repairing a broken screen window, 3) not displaying emergency evacuation floor plan in some areas, and 4) not using a Material Safety Data Sheet (MSDS) for all chemicals utilized in the facility.



## OAC COMMENTS ON AUDITEE'S RESPONSE

PROTOTYPES/CPMP accepted all the findings, recommendations and observations without objection or amendment, and has agreed to implement all the recommendations. PROTOTYPES/CPMP attached a Corrective Action Plan (CAP) or an Implementation Program to their response, to demonstrate how they will fast-track the implementation of OAC's recommendations with immediate effect. PROTOTYPES/CPMP also stipulated clearly the corrective actions to be taken and their time-frame, to ensure compliance with the recommendations. PROTOTYPES/CPMP has already implemented some of the recommendations, effective May 5, 2008.

## BACKGROUND

---

In 1978, the CPMP was authorized by Assembly Bill 512 and currently operates under Penal Code Section 3410. The CPMP reunites female inmates with their children under the age of 6 years old by promoting substance abuse recovery, independent living, self-reliance, community reintegration, and seeks to significantly decrease recidivism by turning female parolees into successful law abiding citizens.

Under Contract Number C05.004 PROTOTYPES agreed to provide structured CPMP services to address inmates' substance abuse issues, emotional stability, self-esteem, and employment skills. The CPMP services are provided to inmate mothers to bond with their children, to strengthen the family unit, and to promote a functioning, self-sufficient family.

PROTOTYPES' Women's Center in Pomona, situated on a seven acre lot, opened and commenced the residential treatment services for women and their children in 1988. The facility's funding sources include the CDCR; Los Angeles County (LAC) Alcohol and Drugs Program Administration, LAC Department of Mental Health, LAC Office of Aids Program, LAC Department of Children and Family Services, Los Angeles Housing Services Authority, Department of Health and Human Services /Substance Abuse and Mental Health Services Administration, and Private Foundations.

PROTOTYPES is licensed by the Department of Alcohol and Drug Programs to operate and maintain an adult residential alcohol and/or drug abuse/recovery or treatment facility limited to 143 females and 90 dependent children of residents ages 0-10 years.

Contract C05.004 is for 24 inmates and 36 children (with no more than two children per inmate), with a total capacity of 60 in the CPMP program.

In September 2003, OAC performed a FY 2002/2003 fiscal compliance audit of the PROTOTYPES facility in Pomona under Contract C00.0091. OAC identified four monetary findings totaling \$117,004 and two non-monetary findings consisting of weak accountabilities over food stamps and Temporary Assistance for Needy Family (TANF).

In August 2007, OAC selected the program audits of PROTOTYPES along with two other CPMP and two FFP contracts.

# FINDINGS AND RECOMMENDATIONS

## **FINDING 1: Inefficient and Inaccurate Inmate Trust Fund**

PROTOTYPES' CPMP program has an inefficient and incorrect manual inmate trust fund accounting system. Recordation and calculations of deposits and withdrawals are all done by hand.

### Trust Fund Procedure

The CPMP Facility Manager and PROTOTYPES Deputy Director of Administration are the only staff with access to the inmate trust fund. The Facility Manager maintains the trust fund and tracks the deposits and withdrawals of the CPMP program and other PROTOTYPES programs. There are four types of accounts in the CPMP trust fund:

1. *Personal* - inmate's own money obtained from sources such as employment, relatives, and friends. Withdrawals from this account can be used for authorized purchases.
2. *School* - inmate's educational or vocational grant money. Withdrawal from this account is strictly for tuitions, books, and school supplies.
3. *Aid to Families with Dependent Children (AFDC)* - children's account that tracks TANF benefits and withdrawals. The common amount of TANF benefit for one child is \$359. Of the \$359, 80% or \$287 (\$359 x 80%) is paid to PROTOTYPES for the child's room and board. After deduction of the swipe fee of \$4.85 (see Finding 2), child's rent of \$284, and mandatory bank trust deposit of \$13, the balance of \$54.15 is deposited monthly in this account. Allowable withdrawals are strictly for the children's expenses.
4. *Bank Trust*- Monthly savings of \$13 from the TANF benefit after rent and swipe fee. Inmate cannot withdraw from this account. Allowable withdrawal is only upon completion of the CPMP program.

Inmates may have up to \$20 in their possession while living in the facility. Inmates can withdraw a total of \$200 from the personal and AFDC account for regular shopping trips. After the shopping trip, the inmates are required to present staff with the sales receipts and change. The change is credited back to the appropriate account and deposited in the bank. The staff also matches the purchased items to the receipts to avoid unauthorized items.

Individual withdrawals are documented on the Trust Account Withdrawal Order Form. The form shows the amount of withdrawal, purpose, and balance of the accounts. The Facility Manager then manually logs all deposits and withdrawals into the Inmate Trust Book.

## Trust Fund Discrepancies

OAC found three discrepancies with PROTOTYPES' manual CPMP trust fund.

First, the four accounts that OAC tested did not match the calculated amounts. OAC mathematically added each deposit and subtracted each withdrawal from the starting balances. As shown in the table below, the two AFDC, one personal, and one school account balances did not match OAC balances.

<u>Type of Trust</u>	<u>Trust Book Balance</u>	<u>OAC Balance</u>
<b>Inmate#1</b>		
School	\$13,355.00	\$13,367.00
AFDC	\$58.42	\$57.85
<b>Inmate#2</b>		
Personal	\$200.76	\$48.76
AFDC	\$68.89	\$64.84

Second, the CPMP trust book balance did not reconcile to the November 2007 bank statement. Bank reconciliation ensures that the funds recorded in the CPMP trust account is consistent with the amount of cash shown in the bank's records. PROTOTYPES' does not regularly reconcile the trust book to monthly bank statement.

Third, the inmates do not get periodic trust account statements. During the OAC inmate interviews, four out of the five women and the CCIII stated that inmates do not receive monthly or quarterly trust fund statements. The Facility Manager stated that the inmates were receiving account statements; however, the previous forms confused the inmates. Therefore, distribution of the statements ceased. PROTOTYPES is in the process of updating the old statement to eliminate confusion. Inmates determined account balances by asking the Facility Manager or withdrawing money from the trust fund. A Trust Account Withdrawal Order Form must be completed and signed by the inmate upon withdrawal. The form shows the AFDC, school, and personal current balances; however, this section is not always filled out timely for the inmate to see.

## **CRITERIA:**

Contract C05.004, Exhibit D, Section 8 states "The Contractor will adhere to generally accepted accounting principles as outlined by the American Institute of Certified Public Accountants."

Government Code 13401 states, "The Legislature declares it to be the policy of the State California that: (1) Each state agency must maintain effective systems of internal accounting and administrative control as an integral part of its

management practices. (2) The systems of internal accounting and administrative control of each state agency shall be evaluated on an ongoing basis and, when detected, weaknesses must be promptly corrected. (3) All levels of management of the state agencies must be involved in assessing and strengthening the systems of internal accounting and administrative control to minimize fraud, errors, abuse, and waste of government funds.”

CDCR Adult Correctional Institutions provide inmates with quarterly trust fund account statements with previous and ending balances, deposits, and withdrawals.

CDCR’s three FFP and two CPMP Contractors provide FFP/CPMP inmates with either monthly or quarterly trust fund account statements with previous and ending balances, deposits, and withdrawals.

## **RECOMMENDATIONS:**

1. Automate the trust fund accounting system to reduce mathematical errors.
2. Reconcile the trust fund balance with the monthly bank statements on a regular basis.
3. Provide inmates with monthly or quarterly trust fund account statement.

## **FINDING 2: Excessive TANF Electronic Benefit Transfer Swipe Fee**

TANF replaced the old AFDC benefit. The amount of benefits depends on the number of children and income level. The common monthly benefit for each child in the CPMP program is \$359. Of this amount, PROTOTYPES collects 80% or \$287 ( $\$359 \times .80$ ) to pay for the child’s room and board.

The benefit comes in an EBT card. On a monthly basis, the Facility Manager converts the children’s benefit into cash through the local check cashing vendor. The vendor charges \$4.85 per swipe to cash each EBT. If all 24 children were receiving TANF, the total cost is \$116 ( $\$4.85 \times 24$ ). Each AFDC account is then assessed \$4.85 per swipe.

Auditor questioned the excessive fee. Inmates are incurring unnecessary charges that take away the direct TANF benefits intended for the children. The Facility manager indicated that this is the only way to obtain the cash. Through research, auditor determined that two other CPMP and two FFP’s have their own automated payment devices (EBT machine). Department of Health and Human Services provided the EBT machine.

EBT's at these facilities are swiped through the EBT machine right on the premises and the funds are automatically deposited in the bank. The costs of the room and board are summarized in a spreadsheet and the total amount is withdrawn from the TANF account. PROTOTYPES should contact the DHHS to obtain an EBT machine and adapt similar practice. This practice will eliminate charging the inmates the unnecessary swipe fee and reduce processing errors and time.

## **CRITERIA:**

Government Code 13401 states, "The Legislature declares it to be the policy of the State California that: (1) Each state agency must maintain effective systems of internal accounting and administrative control as an integral part of its management practices. (2) The systems of internal accounting and administrative control of each state agency shall be evaluated on an ongoing basis and, when detected, weaknesses must be promptly corrected. (3) All levels of management of the state agencies must be involved in assessing and strengthening the systems of internal accounting and administrative control to minimize fraud, errors, abuse, and waste of government funds."

## **RECOMMENDATIONS:**

1. Contact Department of Health and Human Services and obtain an EBT machine.
2. Implement policies and procedures to electronically deposit the CPMP TANF benefits.

## **FINDING 3: Improper Student Financial Aid Process**

Two ineligible inmates received the education Federal Pell Grant totaling \$17,242. Current trust school account balances are \$13,355 for Inmate #1 and \$3,887 for Inmate #2. The inmates completed the FAFSA and Mt. San Antonio College awarded the inmates the grant money. PROTOTYPES did not notify Mt. San. Antonio College that the students were CDCR inmates prior to final processing of the FAFSA.

Two factors contributed to the inmates receiving the Pell Grant:

- Mt. San Antonio College awarded the inmates the grant money without knowing that the students were CDCR inmates.
- FAFSA application is designed for students who are not incarcerated

CDCR inmates are eligible for student financial aid except for the Federal Pell Grant. According to the Code of Federal Regulation on the student eligibility criteria, students incarcerated in a federal and state penal institution are not eligible for the Federal Pell Grant.” On January 25, 2008, the Management and Program Analyst of the U.S. Department of Education responsible for the Federal Student Aid regulations confirmed and stated that the CPMP facility is considered State institution. Therefore, the two inmates are “not eligible for the Pell grant and the funds must be returned.” The FAFSA does not have specific question asking whether or not a student is incarcerated. However, the community college makes the final award determination. The community college awarded the Federal Pell grant because the inmates’ FAFSA applications demonstrated financial need. The community college did not know that the applicants were CDCR inmates.

#### **CRITERIA:**

CPMP/FFP Directives Section C-2, page 14 states, “Inmates housed in a CPMP may apply for educational or vocational grant money with prior approval of the Program Director and the Field Correctional Counselor. Prior to the final grant application, the Program Director shall ensure in writing that the educational/vocational grant institution is aware that the petitioner is an inmate in the California Department of Corrections and Rehabilitation.

Code of Federal Regulations, Title 34: Education, Subpart C-Student Eligibility 668.32 (2) (ii) states, “ A student is eligible to receive IV, HEA program assistance if the student ...For purposes of the Federal Pell Grant Program is not incarcerated in a Federal or State penal institution.”

#### **RECOMMENDATIONS:**

1. Ensure that the educational/vocational institutions are notified in writing that FAFSA applicants are CDCR inmates.
2. Return the Pell grant money to the awarding community college.

#### **FINDING 4: Non Compliance of Personnel Policies, Procedures and Staffing Requirements**

Twenty-three employee files were reviewed to determine the contractor’s compliance with the contract. OAC determined that PROTOTYPES did not comply with the contract in six areas as shown in the table below:

<b><u>Non-Compliance With the Contract Requirements By the Contractor</u></b>		<b><u>Number of Employees</u></b>	<b><u>Incidence % Rate</u></b>
		<b>a</b>	<b>b=a÷23</b>
A.	Employees without hours of in-service training	14	61%
A.	Employees with 4 to 20 hours of training	8	35%
B.	Inadequate and Inconsistent Annual Performance Reviews	17	74%
C.	Employees without Background Clearance prior to employment	8	35%
C.	Background clearance after date of hire	2	10%
D.	Inconsistent and Inadequate Enforcement of Annual TB Testing	5	22%
E.	Hiring of Employees Under the Age of 21 Years	1	4%
F.	Hiring Employees without Minimum Qualifications	3	13%

#### A. Weak, Irregular and Inadequate In-Service Training Program

CDCR requires 40 training hours of in-service training covering, but not limited to, work-related classes.

OAC determined that during FY 06/07, 14 employees out of a total of 23 did not receive any training according to personnel records that were reviewed. There is clearly no documentation on file to show whether these 14 employees received training. However, there is documentation that shows that 8 employees received as little as 4 to 20 hours of training. Therefore, 22 (14+8) employees out of 23, or 96% of the workforce, literally did not receive 40 hours of in-service training as required by the contract. All staff who works for CDCR must receive 40 training hours annually.

#### B. Inadequate and Inconsistent Annual Performance Review System

Annual performance review means that an employee's work performance is reviewed on each anniversary of every employee, or at least a week before or after each anniversary. The table above shows that annual performance reviews are conducted irregularly, or not at all.

Seventy-four percent (74%), or 17 employees out of 23 did not have annual performance reviews during FY 06/07. Another employee's last review was done as far back as 18 months to date (1/11/08). The employee's (who is a Facility Manager) last review was done on 05/06/06. The Facility Manager's next review due date was 05/06/07, but the next review was not completed until 01/11/08. There is no documentation to indicate whether this employee had or had no performance review after the last review.



### C. Inadequate Adherence to Prior Employment Background Clearance by CDCR

OAC found that there was no documentation on file to determine whether 8 employees out of 23, or 35% of the workforce, were cleared by CDCR prior to employment. Furthermore, OAC determined that 2 employees, a supervising counselor, who was hired on 06/05/98 and cleared on 06/16/98, and a child development coordinator who was hired on 09/05/96 and cleared on 03/07/02, were both cleared after the dates of hire. The two were cleared after 2 weeks and after 5.5 years of employment, respectively.

### D. Inconsistent and Inadequate Enforcement of Annual Tuberculosis Testing

OAC determined that 2 evening counselors had no documentation on file to show whether they had or had not been currently TB-evaluated. Another 3 employees, a secretary/administrative assistant, a part-time maintenance/ transportation supervisor (effective 09/07/07), and 1 child development assistant had been TB-evaluated on 01/11/06, 06/23/06 and 10/06. Records show that the three had not been TB-evaluated thereafter. Altogether 5 employees had not been TB-examined in 2007. Five employees represent 22% of the workforce.

### E. Hiring of Employees Under the Age of 21 Years

Auditors determined that the contractor hired a child development assistant who was only 19 years old at the time of hire (02/14/07). This was an oversight clearly in violation of the minimum age requirement of 21 years.

### F. Hiring of Employees Without Required Minimum Qualifications

An evening counselor must possess a certificate in substance abuse counseling, or proof of current enrollment in a substance abuse counseling training course, or a bachelor's degree in one of the Social Sciences or related behavioral science field. PROTOTYPES violated this contract requirement by hiring an evening counselor who did not have minimum qualifications. This employee holds an associate science degree in medical billing and coding.

For a person to be hired as a cook they must have two years experience as a professional cook. PROTOTYPES hired two cooks who did not have the requisite minimum qualifications. One of the two employees holds a bachelor's degree in journalism, and the other holds a High School Diploma, and was at one time a general labor, a private branch exchange (PBX) operator and floor supervisor. Neither of the two cooks had two years experience as a professional cook as required by the contract.

## **CRITERIA:**

A. Contract C05.004, Exhibit A, Administrative Services, b ii, on page 11, states “The Contractor shall make available a minimum of 40 hours of annual training for all Contractor staff in areas such as treatment plan development, group and individual counseling, community treatment planning, early childhood education, child development and first aid certification.”

B. Contract C05.004 Exhibit A, Administrative Policies and Security Requirements, b. iv, on page.17, states “A probationary period for employees must be followed by annual work performance evaluations. Grievance and appeal procedures must be available to all employees.”

C. Contract C05.004 Exhibit A, Section E, Staffing Requirements, on page.20, states “All staff is subject to the CDCR’s clearance prior to working at the facility.”

D. Contract C05.004 Exhibit D, Item 25. Tuberculosis Testing on page 9, states “Contractors and their employees shall be required to furnish to CDCR, a form CDCR 7336, “Employee Tuberculin Skin Test (TST) and Evaluation” prior to assuming their contracted duties annually and thereafter, showing that the contractor and their employees have been examined and found free of TB in an infectious stage.”

E. Contract C05.004 Exhibit A, Section E, Staffing Requirements, on page 20, states “The minimum age requirement for any staff is 21 years of age.”

F. Contract C05.004 Exhibit A, Section E, Staffing Requirements, on page.20, states “The Contractor is responsible for ensuring that all contracted staff meets the minimum qualifications.”

## **RECOMMENDATIONS:**

1. Implement personnel policies and procedures to ensure that employees have (1) 40 hours of annual in- service training, (2) timely annual performance reviews, and (3) annual TB Tests.
2. Implement and adhere to the contract staffing requirement of hiring employees with a minimum of 21 years of age.
3. Ensure that every employee is checked and receives background clearance prior to employment at all times.

## **FINDING 5: Inadequate CPMP Staffing Coverage**

Of the eight CPMP staff positions listed in Contract C05.004, five must be filled at all times. The positions include the Supervising Counselor, Evening Counselors, Child Development Coordinator, Child Development Assistant, and Cook.

### **A. Supervising Counselor**

Contract C05.004 authorizes 4.2 Supervising Counselors. However, The FY 06/07 PROTOTYPES paid invoices showed constant staff shortage, with only 1 to 3 employees.

The required staffing coverage for this position is 24 hours per day, 7 days a week. As shown in the table below, PROTOTYPES had inadequate staffing coverage in August 2006. One of the duties of the Supervising Counselor is to supervise the facility counselors on the evening and weekend shift. However, there was no Supervising Counselor from 1) 1:00 am through 6:00 a.m. for the whole month, 2) 5:00 p.m. through midnight for 14 days, and 3) 12:00 a.m. through 11:59 p.m. for 3 days.

#### **Period No Supervising Counselor**

<b><u>Period</u></b>	<b><u>Dates</u></b>	<b><u>Number of Days</u></b>
1:00 a.m.-6 a.m.	August 1-31	31 days
5:00 p.m.-12:00 a.m.	August 2-5, 9-11, 18-19, 23-24, 30-31	14 days
All Day	August 12, 27, 28	3 days

August 2006 had a total of 744 work hours (31 days x 24 hours). Of the 744 hours, CPMP staffing coverage was only 49.7% ( $370 \div 744$ ). Again, the position must be filled 24 hours per day, 7 days per week. The contracts states, "The Contractor must establish and maintain specific positions and staffing levels."

### **B. Evening Counselor**

The Contract authorizes 2.8 positions. According to the FY 06/07 invoices, there were three Evening Counselors. The coverage for this position is 16 hours per day, 7 days per week. However, the August 2006 Staff Sign-In Log showed 8 days (August 5, 7, 13, 14, 19, 21, 26, 28) when the total work hours for the day only ranged from 2.5 to 11 hours. August 6 did not even have an Evening Counselor.

### **C. Child Development Assistant/Coordinator**

The Contract allows and the FY 06/07 PROTOTYPES invoices showed payments for one Child Development Assistant and one Child Development Coordinator. The coverage requirement for this position is 8 hours per day 5 days, per week. August 2006 shows full coverage for the Child Development

Assistant with work hours from 8:00 a.m. through 5:00 p.m., but no coverage for the Child Development Coordinator.

#### D. Cooks

The Cook position is budgeted for 1.4 and the FY 06/07 invoices showed that CDCR made payments to three cooks. However, only one cook was in the Staff Sign-In Log. The required coverage for the Cook position is 8 hours per day, 7 days a week. There was no cook coverage on weekends (August 5, 6, 12, 13, 19, 20, 26, 27, 28 – 31).

#### E. Staff Sign-In Log

PROTOTYPES does not provide the CCIII with copies of the weekly CPMP Staff Sign-In Log. The log assists CDCR in reporting vacancies, back-up coverage, and weekly staffing roster. According to the Directives, the Program Director must ensure that the CC III receive a copy of the previous week's log.

### CRITERIA:

#### A-D. CPMP Positions

C05.004, Exhibit A, Section E-Staffing Requirements, page 21 and Exhibit B-2, FY 06/07 Budget requires the following CPMP staff coverage:

<u>Facility Staff</u>	<u>Number of Budgeted Positions</u>	<u>Hours per Day/ Days per Week</u>
Supervising Counselor	4.2	24/7
Evening Counselor	2.8	16/7
Child Development Counselor	1	8/5
Child Development Assistant	1	8/5
Cook	1.4	8/7

C05.004, Exhibit A, Section D-1a (iv) Role of the Contractor, page 10 states, "The Contractor must provide supervision and maintain staffing levels, necessary to carry out program objectives and to maintain the safety and security of the facility and community."

#### E. **Staff Sign-In Log**

CPMP/FFP Directives, Section B-07 states "The Program Director is to ensure that a copy of the previous week's sign-in sheet is provided to the Field CC for signature."

## RECOMMENDATIONS:

1. Ensure full staffing coverage for positions that must be filled at all times.
2. Implement policies and procedure to ensure that the Staff Sign-In Log is 1) signed by CPMP personnel reporting for duties and 2) reviewed by the CCIII.

## FINDING 6: No required CCIII or WCSU Approval of Reports

### Assessments/Individual Treatment Plan

The inmate files included detailed assessments, individual treatment plans (ITP), progress notes, and exit plans on all participants. The assessment and ITP addressed the inmate's substance abuse, specific problems, goals, course of actions, types of classes to be taken, and target date to resolve the problems or achieve the goals. The CPMP counselors evaluated inmate's progress in the program every 30 days. However, the ITPs' showed no proof of WCSU's or CCIII's approval prior to implementation as required in the contract, and progress reports did not demonstrate that PROTOTYPES "regularly confer" with the CCIII.

### 60 Day Exit Plan

Four out of five inmate's files reviewed by OAC included a 60 day exit plan. However, the inmates' exit plans were not signed by a WCSU representative. Two of the four exit plans were prepared after the required 60 days prior to the inmate's release date from the CPMP facility (see the table below).

Inmate #W67343 file shows a 60 day exit plan but no signature of a WCSU representative on-site.

Inmate #X17179 exit plan was prepared on October 2, 2007. The inmate was paroled on November 16, 2007, which is only forty four (44) days and not sixty (60) days, prior to the release date as stated in the contract. The exit plan showed no inmate signature but a phrase, "not available or refusal".

Inmate #W87248 exit plan was prepared on August 3, 2006. The inmate paroled on September 5, 2006, which is only thirty two (32) days prior to the release date. Again, the exit plan was not sixty (60) days prior to the parole date as required in the contract.

Inmate # X0696 did not have a 60 day exit plan on file and yet the inmate was only weeks away (during OAC's audit fieldwork) from the parole date of January 10, 2008. The original parole date was December 26, 2007; however, the inmate

on one occasion returned to the facility later than the time specified in the CIV and received disciplinary action.

The table below summarizes the 60 days exit plan findings:

Exceptions	Number of Occurrence
Exit Plan not approved and signed by the WCSU	4
No Children Exit Plan	4
Exit Plan not prepared 60 days prior to release date	2
Exit Plan not signed by inmate	1

## **CRITERIA:**

Contract Number C05.004, Exhibit A, Section D2. Treatment Services, paragraph a, page 13 states “The written assessment is to be conducted on a standardized form reviewed and approved by the WCSU prior to implementation.”

Contract Number C05.004, Exhibit A, Section D2. Treatment Services, paragraph b page 13 states “The contractor will monitor inmate progress during treatment and confer regularly with DCR staff concerning retention in the CPMP program and placement in community programs”.

Contract Number C05.004, Exhibit A, Section D2. Treatment Services, paragraph b page 13 states “The Contractor will prepare a pre-release treatment exit plan 60 days prior to release from the facility for each inmate and child detailing an appropriate community treatment/service plan.”

## **RECOMMENDATIONS:**

Obtain WCSU/CCIII approval of assessment, individual treatment plans and 60 day exit plan prior to implementation.

## **FINDING 7: Inadequate Control of Inmate Passes**

PROTOTYPES use CDC Form 1680 CIV to reflect inmate movements outside the facility which is limited to a fifty (50) mile radius. CIV require approvals of both the Facility Manager and the Field Correctional Counselor.

Inmates must submit the CIV's to the counselors two weeks prior to the requested date. CIV's submitted by Sunday are screened and then approved and signed by the Facility Manager by Wednesday. The CCIII approves the CIV's by Thursday and inmates are then notified of the approval or disapproval. Prior to the current procedure, CCIII received the CIV's on Thursday for the

immediate Friday, Saturday or Sunday passes of the week and observed a high number of phone approval requests.

CPMP staff did not always adhere to the current procedure. Inmates interviewed by OAC stated that one common problem in the facility is staff losing the CIV's that have been submitted. The CCIII confirmed that the old CIV processing was inefficient and passes have been lost.

Additionally, after reviewing the five inmate files, OAC determined that the CIV's are not always signed by the Facility Manager and CCIII as directed by the contract. As shown on the table below, there were 88 CIV's that were not signed by the CCIII and 6 passes that were not signed by the Facility Manager.

<u>CDCR Number</u>	<u># of CIV not signed by CCIII</u>	<u># of CIV not signed by Facility Manager</u>
W67343	59	3
X17179	13	2
W87248	12	-
X0696	4	1
<b>Total</b>	88	6

#### **CRITERIA:**

1. CPMP/FFP Program Directive Section Number A-01 states "Except for medical emergencies, all program passes require the Field CC's approval and must be submitted by the inmate in writing, at least one week in advance."
2. CPMP/FFP Program Directive Section C-01, Passes Approval Levels requires the following:
  - Unescorted Mother/Child Activity Passes require the approval of the CPMP/FFP Program Director and Field CC.
  - Treatment Program Passes require the approval of the CPMP/FFP Program Director and Field CC.
  - Urgent medical passes may be managed by all staff and do not require a higher level of approval. However, the Program Director and the Field CC will be contacted as soon as practical.
  - The Field CC must be provided copies of all medical passes issued.

#### **RECOMMENDATIONS:**

1. Adhere to the current CIV policies and procedure as specified and required by the program directives.
2. Establish an efficient and effective CIV processing and tracking system.

## **FINDING 8: Facility Requirement-Out of Compliance**

OAC conducted an onsite inspection of PROTOTYPES and the CPMP on December 12, 2007 to assess whether the contractor 1) provided a facility in accordance with Penal Code 3411, 3412 and 3413, 2) maintained adequate maintenance and repair services, and 3) ensured the safety and security of its participants as stated in contract C05.004.

OAC noted some of the following problem areas:

### **A. Tool Control Log and Inventory**

There is no tool control log and updated tool inventories to maintain permanent record and to keep track of tools. The Contractor needs a proper check in and out procedures to identify missing tools and safety concerns. According to the Supervising Counselor who accompanied OAC on the inspection, gardening tools, hand tools as well as building maintenance supplies are kept secured and can only be used under direct staff supervision by inmates.

### **B. Broken Screen Window**

There was a broken screen window in room D3. Routine maintenance schedule and a tracking list of maintenance job to respond to work orders on a daily basis or to emergency repairs are not available on-site.

### **C. Emergency evacuation floor plans**

Emergency exit floor plans were not visible in the administration, kitchen, dining room and classrooms 15 and 16. Supervising counselor who accompanied OAC on the inspection stated that PROTOTYPES had the classrooms painted two months prior to December 2007 and the contractor was not able to hang the emergency evacuation floor plan back in place.

### **D. Material safety data sheets**

OAC noted the lack of Material Safety Data Sheets on all chemicals used in the facility. An MSDS is also required under the Occupational Safety & Health Administration regulation standard 1910 for employers. MSDS describes the physical and chemical properties of the product, helps understand the potential health and physical hazards of a chemical, and describes the steps to effectively respond to exposure situations.



**CRITERIA:**

A. Contract number C05.004, Exhibit A, Section F. Physical Site Building and Grounds Requirements, 8. Tools and Maintenance Room page 28 states "A tool control log must be maintained."

B. Contract number C05.004, Exhibit A, Section F. Physical Site Building and Grounds Requirements, Inmate Housing, a, page 26 states "All window screens shall be in good repair and free of insects, dirt and other debris."

C. Contract number C05.004, Exhibit A, Section 4. Administrative Policies and Security Requirements, q. Fire Safety iii, page 20 states "Clear, concise, and site-specific emergency evacuation floor plans posted throughout the facility in tamper proof frames."

D. Contract number C05.004, Exhibit A, Section F. Physical Site Building and Grounds Requirements, 5. Janitorial Closets page 27 states "The Contractor must have Material Safety Data Sheet (MSDS) on all chemicals utilized at the facility."

**RECOMMENDATIONS:**

1. Develop a tool control system to safeguard the inventory of tools, supplies and check in/out procedures.
2. Establish a maintenance schedule to monitor status of repairs.
3. Post the emergency evacuation floor plans in tamper proof frames visible in every room.
4. Provide the required MSDS to allow the safe and proper handling of chemical substances.

# OBSERVATIONS AND RECOMMENDATIONS

---

## **OBSERVATION 1: Inadequate Sign-In Training Log**

OAC traced inmates' attendance to PROTOTYPES class group log to determine if the Contractor provided classes listed on the contract. Most classes are on a ten to twelve weeks cycle. Auditors reviewed forty six class group logs for the month of April and May 2007.

PROTOTYPES provided the required classes or services in the contract. However, OAC noted three internal control weaknesses: Six of the group log sheet shows no group topic to identify the required classes provided. One has no topic title and name of the facilitator to identify the class and the person administering the required training. Twenty-one of the sign-in sheets show the facilitator printed the name of the participants without inmates signing the log. OAC cannot determine if the participants actually attended the class.

### **CRITERIA:**

PROTOTYPES Resident Handbook – Part One, Group Participation page 10 states “It is the resident’s responsibility to sign the group log and to have the group facilitator sheet in their treatment notebook signed at the end of each group session.”

### **RECOMMENDATIONS:**

Ensure that the class sign in logs are 1) signed by the participants and 2) properly identified with the subject/topic title and the name of the facilitator or instructor.

## **OBSERVATION 2: Inmate Records Maintenance Cover-up**

Three inmate files, #W67343, #X0696 and #X17179, had progress reports that seem to have been hurriedly updated recently. The ink pressure and the consistency of the hand writing suggest that the documents have been written in one sitting.

OAC reviewed the inmate's reports that were done in a natural manner (not hurriedly). Auditors observed the differences in the consistency in weight or thickness and the loops joining the letters or loops at the end of a letter in the author's handwriting. The comparison and contrasts of the handwritings used on reports done hurriedly and the reports that were not done in a hurry showed differences. For instance, one Evening Counselor signatures on the progress

reports were very much different from the signature on form I-9 or employment eligibility and verification form, and W-4. Samples of these reports were photocopied by the OAC to show proof of their observation.

There is testimonial evidence and one witnessed situation that corroborate and confirm OAC's observations. First, inmate # X13069, who requested to be interviewed voluntarily, informed the auditors that the CPMP staff asked the inmate to write on or update some of the CPMP files weeks before the audit team's scheduled field work. Second, the CCIII commented that PROTOTYPES staff had been busy updating the CPMP files. Third, auditors witnessed the Facility Manager updating the progress notes on the inmates' files that OAC selected for testing for past evaluations.

## GLOSSARY

---

<b>AA</b>	Alcoholic Anonymous
<b>AFDC</b>	Aid to Families with Dependent Children
<b>CC</b>	Correctional Counselor (II or III)
<b>CDCR</b>	California Department of Corrections & Rehabilitation
<b>CEQA</b>	California Environmental Quality Act
<b>CIV</b>	Community Itinerary Verification
<b>CPMP</b>	Community Prisoners Mother Program
<b>DCR</b>	Department of Corrections and Rehabilitation
<b>EBT</b>	Electronic Budget Transfer
<b>FOPS</b>	Female Offender Programs and Services
<b>FAFSA</b>	Free Application for Federal Student Aid
<b>HHS</b>	Department of Health and Human Services
<b>ITP</b>	Individual Treatment Plans
<b>LIBG</b>	Line Item Budget Guide
<b>NA</b>	Narcotics Anonymous
<b>TB</b>	Tuberculosis
<b>WCSU</b>	Women and Children's Services Unit